ORAL ARGUMENT NOT SCHEDULED

IN THE UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA CIRCUIT

STATE OF TEXAS, et al.,)
Pe	titioners,)))
V.		No. 16-1078 (and consolidated cases)
UNITED STATES ENVIR PROTECTION AGENCY	· · · · · · · · · · · · · · · · · · ·)))
Re	espondents.))

STATUS REPORT

Pursuant to the Court's May 1, 2017, Order (Doc. #1673454), EPA submits the following status report.

1. These cases concern EPA's final action under the Clean Air Act ("CAA"), 42 U.S.C. §§ 7401-7671q, titled: "Approval and Promulgation of Implementation Plans; Texas and Oklahoma; Regional Haze State Implementation Plans; Interstate Visibility Transport State Implementation Plan to Address Pollution Affecting Visibility and Regional Haze; Federal Implementation Plan for Regional Haze" (hereinafter the "Final Rule"). The Final Rule was published at 81 Fed. Reg. 296 (Jan. 5, 2016).

- 2. As the Parties previously reported, *see* Doc. #1672209 at 4, on July 15, 2016, a motions panel of the United States Court of Appeals for the Fifth Circuit denied a motion to dismiss or transfer to this Court petitions for review of the Final Rule filed in the Fifth Circuit. The Fifth Circuit determined that both subject matter jurisdiction and venue properly lie in that court. *Texas v. EPA*, 829 F.3d 405 (5th Cir. 2016).
- 3. As the Parties also previously reported, *see* Doc. #1672209 at 5, on March 22, 2017, the same panel of the Fifth Circuit granted EPA's motion for a partial voluntary remand of the Final Rule. The Fifth Circuit placed proceedings in that court on the petitions for review of the Final Rule in abeyance pending EPA's reconsideration of the Final Rule on remand.
- 4. On April 21, 2017, the Parties filed a Joint Unopposed Motion to Govern Further Proceedings, in which the Parties moved this Court to continue to hold these petitions in abeyance pending the ultimate outcome of any appeal on the jurisdictional and venue issue in the Fifth Circuit. Doc. #1672209.
- 5. On May 1, 2017, this Court issued an Order holding these cases in abeyance and directing the Parties to file status reports at 120-day intervals beginning August 29, 2017. Doc. #1673454. The Court further ordered the Parties to file motions to govern within 30 days of the disposition of the petitions for review in the Fifth Circuit.

- 6. EPA now provides the following status update to the Court. As EPA has also explained to the Fifth Circuit, the initial significant action EPA will take on remand is to publish a notice of proposed rulemaking proposing to reconsider certain aspects of the Final Rule regarding the CAA's reasonable progress requirements. *See* 42 U.S.C. § 7607(d)(7)(B). EPA does not presently intend to publish such a notice of proposed rulemaking until after EPA publishes a final rule on the related but separate CAA Best Available Retrofit Technology ("BART") requirements. EPA's notice of proposed rulemaking regarding the BART requirements was published in the *Federal Register* on January 4, 2017. 82 Fed. Reg. 912 (Jan. 4, 2017). EPA's BART final rule was published in the Federal Register on October 17, 2017. 82 Fed. Reg. 48,324 (Oct. 17, 2017).
- 7. EPA's BART final rule has been challenged in the Fifth Circuit in *Nat'l Parks Conservation Ass'n, et al. v. EPA*, Case No. 17-60828 (5th Cir.). Those same petitioners have also filed an administrative petition with EPA requesting that EPA reconsider the BART final rule. The Fifth Circuit has held the proceedings in that case in abeyance pending the resolution of the petition for reconsideration and the completion of any reconsideration process of the BART final rule. On April 30, 2018, EPA announced its intention to convene a new rulemaking proceeding to solicit public comment on certain aspects of the BART final rule. On August 27, 2018, EPA published a notice of proposed rulemaking proposing to affirm its October 17, 2017 BART final rule, and providing an opportunity for public comment on the proposal

and other specified related issues. 83 Fed. Reg. 43,586 (Aug. 27, 2018). EPA held a public hearing in Austin, Texas, on the proposed rulemaking on September 26, 2018. The public comment period on the proposed action closed on October 26, 2018. EPA received approximately 1,500 comment letters and emails from citizens, environmental groups, industry and States.

- 8. After reviewing the comments on the August 2018 BART proposal and briefing management in the appropriate regional and headquarters offices to reach decisions on issues raised in the comments, EPA is now in a position to report that it intends to issue a supplemental notice of proposed rulemaking in relation to the August 2018 BART proposal to reaffirm the October 2017 BART final rule. EPA believes certain changes to the BART final rule not discussed in the August 2018 proposal may be warranted and that additional public comment on those changes is appropriate. At this time, EPA expects to issue the supplemental notice this fall, and, after a period for public comment on the supplemental proposal, expects to take final action in the first half of 2020.
- 9. EPA continues to believe that the resolution of BART requirements in Texas will bear on the scope and nature of its actions on remand of the January 2016 Final Rule at issue in this case.
- 10. Accordingly, agency proceedings on remand of the Final Rule are ongoing and these cases should therefore remain in abeyance.

- 11. Counsel for EPA has coordinated this status report with counsel for all other parties.
 - 12. The next status report is due to be filed on or before November 27, 2019.

Respectfully submitted,

DATED: July 30, 2019

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CERTIFICATE OF SERVICE

I hereby certify that the foregoing Status Report was electronically filed with the Clerk of the Court using the CM/ECF system, which will send notification of said filing to the attorneys of record, who are required to have registered with the Court's CM/ECF system.

Date: July 30, 2019

<u>/s/ Stephanie J. Talbert</u> STEPHANIE J. TALBERT

Counsel for Respondents